

SSB 6503 - S AMD 2

By Senator Zarelli

NOT ADOPTED 1/22/2010

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** (1) From the effective date of this act,  
4 state agencies of the legislative, executive, and judicial branches,  
5 including institutions of higher education, shall achieve a reduction  
6 in employee compensation costs of \$69.154 million from general fund--  
7 state and education legacy trust account expenditures for the 2009-11  
8 fiscal biennium and \$138.308 million for the 2011-13 fiscal biennium.  
9 The legislature declares that a significant revenue shortfall has  
10 occurred pursuant to RCW 41.80.010(6) and the parties to the state's  
11 collective bargaining agreements are directed to immediately enter  
12 into collective bargaining to modify the agreements and achieve the  
13 costs reductions required by this section. It is the intent of the  
14 legislature that the collective bargaining negotiations under this  
15 section be conducted on an expedited basis so that savings can  
16 implemented in a manner that reduces the impact on the delivery of  
17 essential governmental services while minimizing adverse effects on  
18 lower-wage public employees.

19 (2) The office of financial management shall certify to each  
20 state agency and institution of higher education that portion of the  
21 compensation reduction amount specified in subsection (1) of this  
22 section to be achieved by that agency or institution, based on the  
23 agency's proportionate share of compensation costs. By May 15, 2010,  
24 each agency and institution shall submit to the office of financial  
25 management a compensation reduction plan to achieve the cost  
26 reductions specified in this subsection. The compensation reduction  
27 plan of each agency may include, but is not limited to, employee leave

1 without pay, including mandatory and voluntary temporary layoffs,  
2 reductions in the agency workforce, compensation reductions, and  
3 reduced work hours, as well as voluntary retirement, separation, and  
4 other incentive programs authorized by section 912, chapter 564, Laws  
5 of 2009. The amount of compensation cost reductions to be achieved by  
6 each agency or institution shall be adjusted to reflect voluntary and  
7 mandatory temporary layoffs implemented by the agency or institution  
8 during the 2009-11 fiscal biennium and prior to the effective date of  
9 this act. It is the legislature's intent that, in developing the  
10 compensation reduction plans, agencies shall strive to preserve family  
11 wage jobs by reducing the impact of temporary layoffs on lower-wage  
12 jobs.

13 (3) By June 1, 2010, the director of financial management shall  
14 review, approve, and submit to the legislative fiscal committees those  
15 agency compensation reduction plans that achieve the cost reduction  
16 required by subsection (2) of this section. It is the intent of the  
17 legislature that agencies may implement their compensation reduction  
18 plans prior to June 1, 2010, if that implementation will produce  
19 greater cost reductions or moderate the impacts on employees and  
20 agency programs. For those agencies and institutions of higher  
21 education that do not have an approved compensation reduction plan by  
22 June 1, 2010, the agency or institution shall be closed on the  
23 following dates in addition to the legal holidays specified in RCW  
24 1.16.050:

- 25 (a) Monday, June 14, 2010;
- 26 (b) Tuesday, July 6, 2010;
- 27 (c) Friday, August 6, 2010;
- 28 (d) Tuesday, September 7, 2010;
- 29 (e) Monday, October 11, 2010;
- 30 (f) Friday, November 12, 2010;
- 31 (g) Monday, December 27, 2010;
- 32 (h) Friday, January 14, 2011;
- 33 (i) Friday, February 18, 2011;
- 34 (j) Friday, March 11, 2011;

1 (k) Friday, April 15, 2011;

2 (l) Friday, May 27, 2011;

3 (m) Friday, June 10, 2011; and

4 (n) The twenty-four comparable dates during the 2011-13 fiscal  
5 biennium.

6 (4) If the closure of an office of an agency of the state under  
7 subsection (3) of this section prevents the performance of any action,  
8 the action shall be considered timely if performed on the next  
9 business day. For any agency of the judicial branch that is closed on  
10 the dates specified in subsection (3) of this section, the dates are  
11 deemed to be nonjudicial days for the purposes of Article IV of the  
12 state Constitution.

13 (5) The following activities of state agencies and institutions of  
14 higher education are exempt from subsections (2) and (3) of this  
15 section:

16 (a) Direct custody, supervision, and patient care in: (i)  
17 Corrections, (ii) juvenile rehabilitation, (iii) institutional care of  
18 veterans, the mentally ill, and developmentally disabled, (iv) state  
19 hospitals, the University of Washington medical center, and Harborview  
20 medical center, (v) the special commitment center, (vi) the school for  
21 the blind, (vii) the state center for childhood deafness and hearing  
22 loss, and (viii) the Washington youth academy;

23 (b) Direct protective services to children and other vulnerable  
24 populations in the department of social and health services;

25 (c) Washington state patrol investigative services and field  
26 enforcement;

27 (d) Hazardous materials response or emergency response and  
28 cleanup;

29 (e) Emergency public health and patient safety response and the  
30 public health laboratory;

31 (f) Military operations and emergency management within the  
32 military department;

33 (g) Firefighting;

34

1 (h) Enforcement officers in the department of fish and wildlife,  
2 the liquor control board, the gambling commission, department of  
3 financial institutions, and the department of natural resources;

4 (i) State parks operated by the parks and recreation commission;

5 (j) In institutions of higher education, classroom instruction,  
6 operations not funded from state funds or tuition, campus police and  
7 security, emergency management and response, and student health care;

8 (k) Operations of liquor control board business enterprises and  
9 games conducted by the state lottery;

10 (m) Agricultural commodity commissions and boards, and  
11 agricultural inspection programs operated by the department of  
12 agriculture;

13 (n) The unemployment insurance program and reemployment services  
14 of the employment security department;

15 (o) The workers' compensation program and workplace safety and  
16 health compliance activities of the department of labor and  
17 industries;

18 (p) The operation, maintenance, and construction of state ferries  
19 and state highways;

20 (q) The audit and compliance sections of the department of  
21 revenue;

22 (r) Licensing service offices in the department of licensing that  
23 are open no more than two days per week, and no licensing service  
24 office closures may occur as a result of this section on Saturdays;

25 (s) The governor, lieutenant governor, legislative agencies, and  
26 the office of financial management, during sessions of the legislature  
27 under Article II, section 12 of the state Constitution and the twenty-  
28 day veto period under Article IV, section 12 of the state  
29 Constitution; and

30 (t) The minimal use of state employees on the specified closure  
31 dates as necessary to protect public assets, information technology  
32 systems, and maintain public safety.

33 (6) The closure of an office of a state agency or institution of  
34 higher education under this section shall result in the temporary

1 layoff of the employees of the agency or institution. The  
2 compensation of the employees shall be reduced proportionately to the  
3 duration of the temporary layoff. Temporary layoffs under this  
4 section shall not affect the employees' vacation leave accrual,  
5 seniority, or sick leave credits. For the purposes of chapter 430,  
6 Laws of 2009, the compensation reductions under this section are  
7 deemed to be an integral part of an employer's expenditure reduction  
8 efforts and shall not result in the loss of retirement benefits in any  
9 state defined benefit retirement plan for an employee whose period of  
10 average final compensation includes a portion of the period from the  
11 effective date of this act through June 30, 2011.

12 (7) Except as provided in subsection (5) of this section, for  
13 employees not scheduled to work on a day specified in subsection (3)  
14 of this section, the employing agency must designate an alternative  
15 day during that month on which the employee is scheduled to work that  
16 the employee will be temporarily laid off.

17 (8) To the extent that the implementation of this section is  
18 subject to collective bargaining under chapters 28B.52, 41.56, 41.76,  
19 41.80, or 47.64 RCW, the bargaining shall be conducted pursuant to  
20 section 2 of this act.

21 (9) For all or a portion of the employees of an agency of the  
22 executive branch, the office of financial management may approve the  
23 substitution of temporary layoffs on an alternative date for any date  
24 specified in subsection (3) of this section as necessary for the  
25 critical work of any agency.

26  
27 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.80 RCW  
28 to read as follows:

29 (1) To the extent that the implementation of section 1 of this act  
30 is subject to collective bargaining:

31 (a) For institutions of higher education that have elected to have  
32 negotiations conducted by the governor or governor's designee in  
33 accordance with RCW 41.80.010(4), negotiations regarding impacts of  
34 section 1 of this act shall be conducted between the governor or

1 governor's designee and one coalition of all of the exclusive  
2 bargaining representatives subject to chapter 41.80 RCW; and

3 (b) For institutions of higher education that have not elected to  
4 have negotiations conducted by the governor or governor's designee  
5 under RCW 41.80.010(4), negotiations regarding impacts of section 1 of  
6 this act shall be conducted between each institution of higher  
7 education and the exclusive bargaining representatives.

8 (2) This section expires on June 30, 2013.

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10 **Sec. 3.** RCW 42.04.060 and 2009 c 428 s 1 are each amended to read  
11 as follows:

12 Except as provided in section 1 of this act, all state elective  
13 and appointive officers shall keep their offices open for the  
14 transaction of business for a minimum of forty hours per week, except  
15 weeks that include state legal holidays. Customary business hours  
16 must be posted on the agency or office's web site and made known by  
17 other means designed to provide the public with notice.

18 ~~((This section shall not apply to the courts of record of this~~  
19 ~~state or to their officers nor to the office of the attorney general~~  
20 ~~and the lieutenant governor.))~~

21  
22 NEW SECTION. **Sec. 4.** If any part of this act is found to be in  
23 conflict with federal requirements that are a prescribed condition to  
24 the allocation of federal funds to the state, the conflicting part of  
25 this act is inoperative solely to the extent of the conflict and with  
26 respect to the agencies directly affected, and this finding does not  
27 affect the operation of the remainder of this act in its application  
28 to the agencies concerned. Rules adopted under this act must meet  
29 federal requirements that are a necessary condition to the receipt of  
30 federal funds by the state.

31  
32 NEW SECTION. **Sec. 5.** If any provision of this act or its  
33 application to any person or circumstance is held invalid, the  
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1 remainder of the act or the application of the provision to other  
2 persons or circumstances is not affected.

3  
4 NEW SECTION. **Sec. 6.** This act is necessary for the immediate  
5 preservation of the public peace, health, or safety, or support of the  
6 state government and its existing public institutions, and takes  
7 effect immediately."

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EFFECT: Directs state agencies to achieve reductions in employee compensation costs of \$69.154 million from near General Fund-- State expenditures for the 2009-11 fiscal biennium and \$138.308 million for the 2011-13 fiscal biennium. If an agency fails to implement an approved compensation reduction plan by June 1, 2010, the agency will be closed on thirteen specified dates in the current biennium and 24 closure dates in the 2011-13 biennium. The legislature declares a significant revenue shortfall for purposes of renegotiating the state's collective bargaining agreements.

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